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ZNR UUUUU ZZH  
R 012006Z DEC 08  
FM AMEMBASSY SANTIAGO  
TO RUEHC/SECSTATE WASHDC 4011  
INFO RUEHAC/AMEMBASSY ASUNCION 3651  
RUEHBO/AMEMBASSY BOGOTA 2192  
RUEHBU/AMEMBASSY BUENOS AIRES 1161  
RUEHBR/AMEMBASSY BRASILIA 0555  
RUEHCV/AMEMBASSY CARACAS 1860  
RUEHPE/AMEMBASSY LIMA 5830  
RUEHMN/AMEMBASSY MONTEVIDEO 4113  
RUEHQT/AMEMBASSY QUITO 2001  
RUEAIIA/CIA WASHDC  
RHEFDIA/DIA WASHDC  
RHEHNSC/NSC WASHDC  
RUEATRS/DEPT OF TREASURY WASHDC  
RUCPDOG/DEPT OF COMMERCE WASHDC

UNCLAS SANTIAGO 001048

SIPDIS

STATE FOR R/MR, I/PP, WHA/BSC, WHA/PDA, INR/IAA

E.O. 12958: N/A

TAGS: [KMDR](#) [KPAO](#) [PGOV](#) [ECON](#) [PREL](#) [PGOV](#) [SNAR](#) [EFIN](#) [CI](#)  
SUBJECT: CHILE MEDIA REPORT: NOVEMBER 29-DECEMBER 1

#### Lead Stories

1. Chile's front pages focused on the tense relations between Chile and Peru over the inflammatory remarks of Peru's Army Commander-in-Chief, which appeared on YouTube, and how the financial crisis is hurting growth in an array of sectors nationwide.

#### U.S.-Related News

2. In her visit to Chile in March 2008, Secretary of State Condoleezza Rice reiterated the U.S. government's concern with the lack of progress in the investigation over the disappearance of American mathematician Boris Weisfeiler, who vanished near the German enclave Colonia Dignidad in 1985. The USG has consistently asked for information on the case since the probe began in 2000. In meetings with members of the Weisfeiler family, President Bachelet expressed her commitment to do "everything possible" to resolve the case (La Tercera, conservative, independent, Sun. circ. 222,084, 11/30).

3. Coverage of Fundacion Paz Ciudadana's annual event included a photograph of Ambassador Simons with the entity's Executive Director Andres Baytelman and its President Agustin Edwards (El Mercurio, conservative, influential newspaper-of-record, Sun. circ. 260,108, 11/30).

4. U.S. Chief of Naval Operations, Admiral Gary Roughead, will arrive in Chile this week to participate in the International Naval Fair and Conference, Exponaval 2008, in Valparaiso (Estrategia,

business and financial daily, circ. 30,000, 12/10).

5. The book "Legacy of Ashes: The CIA Story," written by journalist Tim Weisner, was launched in Chile. The book includes discussions among U.S. intelligence officers and data on CIA activities in Chile in the 60s and 70s (La Segunda, conservative, afternoon, circ. 33,000, 11/29).

#### Chile-Peru Impasse

6. Peruvian Commander-in-Chief General Edwin Donayre said in a private reception earlier this year: "Be assured that we will not let anyone from our southern neighbor (Chile) cross (into Peru). Our position is that any Chilean who crosses will leave in a box, and if there are not enough boxes, in plastic bags." His remarks were posted on YouTube.

¶7. Chile reacted immediately by demanding that Peru retire the Peruvian General. Bachelet said Peruvian President Alan Garcia had phoned her to apologize and to inform her that the general would be retired immediately. On Friday, Foreign Minister Foxley called on his Peruvian counterpart demanding Lima to act on the President's promise. The following day, President Garcia was quoted in the press saying, "Peru does not take pressure or orders from anyone outside Peru." In the absence of any action regarding Donayre, Chile informed Peru that the scheduled visit of its defense minister to the international Naval fair, Exponaval, this week, would be considered untimely. Peruvian Foreign Minister Garcia said that Bachelet misunderstood President Garcia, and that when he referred to Donayre's retirement he was talking about the General's official retirement date, which is December 5. Meanwhile, General Donayre is quoted saying that "as a soldier who loves" his country, he does not regret his remarks (All dailies 11/30-12/1).

¶8. Chile's reaction to military commander Edwin Donayre's clumsy remarks... could be considered disproportionate. But one must look at the wider context of Peru's decision to challenge its maritime border with Chile and to take that issue to the International Court of The Hague.... Chile views this as an attempt to modify the status quo that both countries have accepted and under which they have coexisted for almost eighty years.... Donayre's remarks probably reflect what many other military officers think about an eventual invasion, but those at higher levels of command must have the good sense not to offend their neighbors. The severity of Donayre's comments are not so much in the words, but rather on their impact in the complex and bipolar Chile-Peru relationship (La Nacion, government-owned, editorially independent, Sun. circ. 16,200, 11/30).

¶9. Peruvian analyst Mirko Lauer: "Need determines if something is justified or not and the truth is that in this case Chile has the attitude of 'not willing to let it slip by'" (La Tercera, 12/1).

¶10. Peruvian President Alan Garcia ordered the return of a frigate navigating to Chile, which would show that he has no intention of calling General Donayre to retirement before his official retirement date (El Mercurio, conservative, influential, newspaper-of-record, Sun. circ. 260,108, 11/30).

¶11. The Peruvian government is not comfortable with the impasse caused by Donayre's remarks and has prompted the General not to talk about the issue (La Nacion, 11/30).

#### Local

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¶12. President Bachelet appointed three new regional Intendentes: PPD Igor Garafulic to the Metropolitan Region, DC Pablo Valenzuela to the Region of Tarapaca, and the current Ambassador to Cuba, PS Jaime Toha, to the Bio Bio Region. The latter leaves the Chilean Embassy in Havana with no Ambassador just a month before Bachelet is due to travel to the island (El Mercurio, Sat. circ. 173,049, 11/29).

#### Education: Low English Scores

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¶13. The Catholic University tested its freshmen class to determine their level of English. Only 30 percent of private non-bilingual school students and 10% of public school students passed the test. Private schools have 3-10 hours of English a week and public schools just two (La Tercera, conservative, independent, Sun. circ. 222,084, 11/30).

#### Editorials/commentary

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¶14. Elizabeth Subercaseux: "Anyone visiting the United States today can readily see that something is seriously amiss.... The United States has an invisible and powerless President and his successor has his hands tied until January 20 as its economy, the world's most important one, walks on the edge of the abyss. The decisions taken or not in the next days will determine whether the planet's economic engine stops or continues to move" (La Nacion, 11/30).

¶15. Column by international analyst Libardo Buitrago entitled, "The Fight against Terrorism":

"The brutal terrorist attack in Bombay... brings to mind the worst images of a raw truth: those radical groups want to alter the normal path of our nations. However, we have been unable to build an overall consensus to lower the threat of this scourge.... It's as if the terror attacks on a number of cities -- New York, London, Madrid, Bali, Istanbul -- are just numbers.... A full war (on terrorism) calls for the participation of the largest possible number of nations" (Diario Financiero, business and financial daily, circ. 30,000, 12/1).

SIMONS